

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE ADAIR COUNTY)	
WATER DISTRICT, A WATER DISTRICT)	
ORGANIZED PURSUANT TO CHAPTER 74 OF)	
THE KENTUCKY REVISED STATUTES, IN)	
ADAIR COUNTY, KENTUCKY, FOR (1) A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	
NECESSITY, AUTHORIZING AND PERMITTING)	CASE NO. 89-298
SAID WATER DISTRICT TO CONSTRUCT)	
WATERWORKS DISTRIBUTION SYSTEM)	
IMPROVEMENTS, CONSISTING OF AN)	
OFFICE/STORAGE/MAINTENANCE BUILDING)	
AND (2) APPROVAL OF THE PROPOSED PLAN)	
OF FINANCING OF SAID PROJECT)	

O R D E R

On October 16, 1989, Adair County Water District ("Adair County") filed an application for a Certificate of Public Convenience and Necessity to construct a \$200,000 general purpose office building, and for approval of its plan of financing for this project. Project funding includes a \$200,000 loan from the Farmers Home Administration ("FmHA"). The loan will be for a 33-year period at an interest rate of 6.25 percent per annum.

Adair County's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts and FmHA and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. The minimum filing

requirements were met in this case on October 16, 1989. The Commission has no discretionary authority to modify or reject any portion of this application.

IT IS THEREFORE ORDERED that:

1. Adair County is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

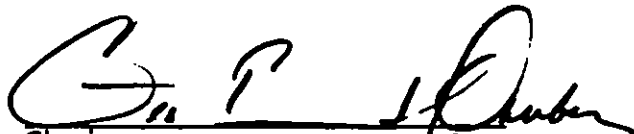
2. Adair County's proposed plan of financing with FmHA is accepted.

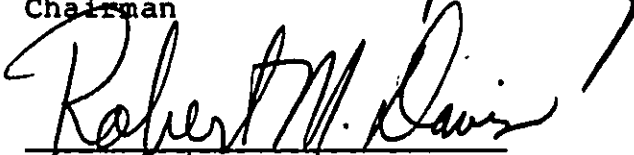
3. Adair County shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 9th day of November, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:

Commissioner

Executive Director